



National Archives and Records Administration

8601 Adelphi Road
College Park, Maryland 20740-6001

May 4, 2001

U.S. Department of Energy (SO-312)
Attn: Ms. Susan Frey
19901 Germantown Road
Germantown, MD 20874-1290

Dear Ms. Frey:

We recently reached the eighteen-month mark of operating the NARA Records Center Program as a revolving fund. Looking back there is much to be pleased about and also reason to look forward. We have received positive customer response to our efforts and we ended Fiscal Year 2000 in a strong financial position and seem poised to duplicate that effort in Fiscal Year 2001.

We have also cemented our relationship with several Federal agencies by embarking on special projects and we recently began piloting a pick up and delivery service at our Washington National Records Center facility. In addition, agencies can now submit reference requests via the Internet using our revamped Centers Information Processing System (CIPS), have NARS-5 holdings information downloaded to a CD-ROM, and rest assured that the NARA Records Center Program continues to practice good records management.

We also realize that there is more to be accomplished. The NARA Records Center Program will be conducting a customer survey in Fiscal Year 2002 in order to collect customer input for assistance in program planning and product offerings. We are also aggressively planning to address our IT systems with an eye toward adding better functionality for our customers. We are also completing a review of our facilities by an independent engineering firm to identify any areas that need to be addressed in order to have our facilities meet all Federal guidelines by 2009.

By July, we will be forwarding to you an interagency agreement and a cost estimate for Fiscal Year 2002. The Fiscal Year 2002 agreement will be similar to the current agreement for records storage and services. We anticipate that our Fiscal Year 2002 rates will be \$2.00 per cubic foot for storage and \$1.43 per cubic foot for baseline services. The rates represent a modest increase from Fiscal Year 2001 due to COLA's, inflation, etc. Also, in Fiscal Year 2002 we will be able to offer agencies an opportunity to be billed below the record group level. When we distribute the Fiscal Year 2002 interagency agreements in July, we will begin to work with agencies interested in receiving invoices below the record group level.

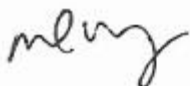
We had hoped to implement a new billing strategy in Fiscal Year 2002, but recently we decided that a delay until Fiscal Year 2003 was the best course of action for both NARA and its customer agencies. Our decision to delay the new billing strategy was based on two key factors. First, we came to the realization that we needed to collect additional data in order to be more precise in our fee structure. Second, our new fee structure may result in a sizeable increase in billings to heavy

users and these agencies would need more time to plan for this budgetary change.

We will be implementing a new billing system and strategy in Fiscal Year 2003. The fee structure for the storage of records will be based on the type of record. The fee structure for services will be based on the type of service provided and on the volume produced. Therefore, our current flat-rate pricing strategy will end after Fiscal Year 2002.

We appreciate your continued support of NARA's Records Center Program. If at anytime you have questions or concerns, please contact Ms. Michele Romero who will work with you to resolve any issues. Ms. Romero can be reached at (301) 713-7210 or via e-mail at michele.romero@nara.gov. We also encourage you to visit our web site at www.nara.gov/rcp for additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'm. weinberg', written in a cursive style.

DAVID WEINBERG
Records Center Program Manager